Change in Employee Compensation (CEC) Legislative History

FY 2000 to FY 2009

Idaho Code §67-5309C(1) requires the Division of Human Resources to conduct salary and benefit surveys within relevant labor markets and submit a recommendation to the Governor of proposed salary changes and their estimated costs. The Governor must submit his own recommendations to the Legislature prior to the seventh legislative day. By concurrent resolution, the Legislature may accept, modify or reject the recommendations. Failure by the Legislature to act prior to adjournment shall constitute approval of the Governor's recommendations.

FY 2009

HCR 49 was adopted by the 2008 Legislature and included a 3% pay increase. The 3% funding distribution method included in HCR 49 required state agencies to distribute the funds as follows: The first 1% must be allocated towards all employees that meet performance standards, second state agencies must review and distribute any needed funds towards high turnover positions that are below midpoint or 90% of compa-ratio, and finally all remaining funds must be distributed based on merit using the merit matrix required by Idaho Code. The CEC committee did not receive a payline recommendation or pay structure change recommendation from the Division of Human Resources as required by Idaho Code, so HCR 49 adopted no movement in the pay structure and the payline. The CEC committee also capped the total amount of insurance premium increases that can be collected from state employees at $16,400,000 and required the Department of Administration to create a third health insurance plan option that allowed state employees another choice in insurance coverage. The third plan is required to keep premium increases neutral and adjust benefits to cover any increased costs.

FY 2008

The 2007 Legislature adopted the CEC committee's recommendation to fund a 5% pay increase as recommended by the Governor. The 5% funding distribution method included by the CEC committee required state agencies to distribute the funds as follows: first allocate moneys towards high turnover positions that were also below midpoint; second target funding towards classified positions below 90% of the compa-ratio, and finally distribute the remaining funds based on merit using the merit matrix required by Idaho Code. The CEC committee's recommendation also required the Department of Administration to keep employee insurance premiums at the same level as 2007 and pay any premium increase from reserve balances. Finally the recommendation required the Department of Administration to create a third health insurance plan option that allowed state employees another choice in insurance coverage. The third plan is required to keep premium increases neutral and adjust benefits to cover any increased costs.

FY 2007

S1263 provided an early ongoing 3% CEC beginning in February 2006 for 10 pay periods. H844 funded the CEC costs for the remaining 16 pay periods in FY2007 and $5 million in targeted pay increases for specific job classes.
The Legislature also adopted S1363 -- a comprehensive re-write of the state employee compensation laws.

FY 2006

H395 was adopted by the Legislature which would provide a one-time 1% CEC contingent upon a prescribed balance in the General Fund at the end of fiscal year 2005. The Legislature also adopted HCR 22 which created an interim committee to study state employee compensation and benefits.

FY 2005

HCR 47 was adopted by the 2004 Legislature, which provided a permanent 2% merit based salary increase. An additional one-time 1% salary increase was triggered by revenues exceeding the Governor's FY 2004 revenue estimate (H805). The resolution also provided agencies guidance on the use of one-time and ongoing salary savings to address salary increases.

FY 2004

The 2003 Legislature took no action, thereby once again adopting the Governor's recommendation by default, which was no increase in funding for employee compensation, but to allow compensation increases with agency salary savings wherever possible.

FY 2003

The 2002 Legislature took no action, thereby adopting the Governor's Recommendation by default. It provided no increase in funding for employee compensation, but allowed employee compensation increases to be made from agency salary savings.

FY 2002

Because the 2001 Legislature did not adopt a CEC resolution, the Governor's Recommendation was approved by default. It provided a 4.5% increase for all state agencies -- 3.5% to be used for performance related increases plus 1% to address agency specific compensation issues (2% for higher education faculty). CEC was budgeted at $20.2 in General Fund money and $37.4 million in all funds.

FY 2001

The Legislature adopted HCR 35, which was the employee compensation resolution adopted by the Joint Legislative CEC Compensation Committee. HCR 35 ratified the framework of the Governor's recommendation, which included a 5% move in the payline structure, and a 3.5% CEC, distributed based on merit. HCR 35 also included language encouraging agency directors to make special efforts for low-wage employees who are performing satisfactorily in their positions. CEC was budgeted at $14.6 million General Fund and $28.5 million total.

FY 2000

The 1999 Legislature took no action, and by doing so accepted the Governor's recommended 3% statewide average pay increase for state employees. The Governor's recommendation included no movement in the payline, with the full 3% CEC to be distributed on the basis of merit. CEC was budgeted at $13.4 million General Fund and $22.8 million total.